



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1201 ELM STREET, SUITE 500
DALLAS, TEXAS 75270

August 29, 2019

URGENT LEGAL MATTER
PROMPT REPLY NECESSARY, CERTIFIED MAIL
RETURN RECEIPT REQUESTED #7008 0150 0003 6265 4342

ConocoPhillips Company
925 N. Eldridge Parkway
Houston, Texas 77079

Re: West Study Area of San Mateo Creek Basin Legacy Uranium Mines Superfund Site, Cibola and McKinley Counties, New Mexico

Dear Sir/Madam:

The purpose of this letter is to invite ConocoPhillips as a Potentially Responsible Party (PRP) to enter into negotiations with the U.S. Environmental Protection Agency (EPA) to undertake a Remedial Investigation and Feasibility Study (RI/FS) regarding hazardous substance contamination at the West Study Area of the San Mateo Creek Basin Legacy Uranium Mines Superfund Site in Cibola and McKinley Counties, New Mexico (Site). The EPA has determined that there is a release or a substantial threat of a release of hazardous substance(s) at or from the Site and has identified numerous parties as current or former owners and/or operators of facilities located within the Site. To date, the EPA and the State of New Mexico have taken several assessment and response actions at the Site using Superfund authority, documenting releases of hazardous substances to soil and groundwater. The EPA has reason to believe that you owned or operated one or more legacy uranium mines within the San Mateo Creek Basin. The EPA is now contacting you and each PRP to offer an opportunity to enter into negotiations to perform investigations and response for the Site.

Opportunity to Negotiate

On behalf of the EPA, I am offering you this opportunity to enter into negotiations because the EPA believes that ConocoPhillips may be responsible for the cleanup of the Site under the Superfund Law. Enclosure 1 explains that responsibility more clearly and explains the purpose of the enclosed Draft Statement of Work, Enclosure 2. Enclosure 3 contains a list of all parties receiving this letter.

Within sixty (60) days of the receipt of this letter, I ask you to contact the EPA Superfund Enforcement Officer, Ms. Anna Copeland, at (214) 665-8144 or copeland.anntasia@epa.gov, or have your attorney contact the EPA Office of Regional Counsel, Ms. Pam Travis, at (214) 665-8056 or travis.pamela@epa.gov, and provide the EPA with a good-faith offer to perform a Remedial Investigation and Feasibility Study at the Site and begin negotiations to enter into a settlement agreement with the EPA.

The EPA invites you to meet with us at the US EPA Region 6 Offices at 10:00 am in Dallas, Texas on October 3, 2019 to discuss the West Study Area. The EPA Region 6 Office is located at 1201 Elm Street, Suite 500, Dallas, Texas 75270. Information about visiting EPA's Region 6 Office, including REAL ID Act requirements, is included in Enclosure 4. Please confirm your attendance by contacting Ms. Copeland at (214) 665-8144, or via email at copeland.anntasia@epa.gov by close of business on September 18, 2019.

My staff will be available to explain the Superfund program and the Superfund alternative approach process to you and respond to any concerns and questions you may have. If you or your attorney have legal questions, please call Ms. Travis at (214) 665-8056. If you have technical questions about the Site, please contact the Remedial Project Manager, Mr. Mark Purcell, at (214) 665-6707. If you have any other questions, please contact Ms. Copeland at the number above.

We look forward to working with you during the coming months.

Sincerely yours,

A handwritten signature in cursive script, reading "Susan D. Webster". The signature is fluid and extends to the right with a long, sweeping tail.

Susan D. Webster, Chief
Assessment and Enforcement Branch

Enclosures (4)

ENCLOSURE 1

TRANSMITTAL LETTER REGARDING REMEDIAL INVESTIGATION AND FEASIBILITY STUDY WEST STUDY AREA SAN MATEO CREEK BASIN LEGACY URANIUM MINES SUPERFUND SITE CIBOLA AND MCKINLEY COUNTIES, NEW MEXICO

This Transmittal Letter is from the U.S. Environmental Protection Agency (EPA). You may be liable for the costs of the cleanup of hazardous substances released into the environment at the West Study Area of the San Mateo Creek Basin Legacy Uranium Mines Superfund Site (Site) which is located Cibola and McKinley Counties, New Mexico.

This letter provides you with information in three categories:

1. This letter asks you to pay certain costs and/or to finance or perform a Remedial Investigation and Feasibility Study (RI/FS) regarding the hazardous substance contamination on the Site under a settlement agreement with the EPA. The purpose of the Remedial Investigation is to determine the nature and extent of contamination and any threat to the public health, welfare, or the environment caused by the release or threatened release of hazardous substances, pollutants or contaminants at or from the Site. The purpose of the Feasibility Study is to determine and evaluate alternatives for remedial action to prevent, mitigate or otherwise respond to or remedy any release or threatened release of hazardous substances, pollutants, or contaminants at or from the Site.
2. Second, this letter requests that you respond with a good faith offer to conduct or finance the RI/FS within 60 days from your receipt of this letter.
3. Third, this letter explains that the EPA will consider any party's ability to pay in determining an appropriate settlement amount and/or performance of the RI/FS.

BACKGROUND

The Grants Mining District (GMD) is located in northwest New Mexico and it contains a number of legacy uranium mines which are releasing radionuclide contamination to the environment. More than 52 million tons of uranium ore were extracted from these mines from the 1950s through 1980s, constituting approximately 68 percent of the total uranium ore mined in the United States. The legacy of prospecting, mining and milling operations left radionuclide waste widely scattered across private, federal, tribal, pueblo, and state lands, where it is a continuing source of contamination to the surface soils and groundwater. EPA has been studying and conducting response actions to address contamination from the legacy uranium mines since 2008. EPA's findings to date indicate unique human health and environmental issues, pointing to the need for creative ways to abate risk.

I GOOD FAITH OFFER

This letter offers you the opportunity to begin negotiations to conduct an RI/FS at the Site. You are invited to enter into negotiations towards a settlement agreement. The settlement will provide you and other PRPs to: (1) conduct or finance the RI/FS activities required for the Site, and (2) reimburse the EPA for costs to be incurred in overseeing the PRPs' performance of the RI/FS.

If settlement is reached between the EPA and the PRPs, the settlement will be embodied in an AOC to be issued by the Superfund Division Director, EPA Region 6.

A draft Statement of Work (SOW) for the RI/FS activities are enclosed (Enclosure 2). An electronic version of the draft SOW may be obtained from EPA Office of Regional Counsel, Ms. Pam Travis at (214) 665-8056.

II PLEASE RESPOND WITHIN 60 DAYS OF YOUR RECEIPT OF THIS LETTER

Please use the enclosed draft SOW to assist you in determining whether you wish to submit a good faith offer and begin negotiations to conduct the RI/FS and for reimbursing the EPA for future oversight costs. In order to begin negotiations, please provide in writing a statement that you are willing to negotiate the performance and/or financing of the RI/FS in a manner consistent with the EPA's draft SOW and that you are also willing to negotiate the means to reimburse the EPA for response costs to be incurred in overseeing the PRPs performance of the RI/FS.

If the EPA determines that you have not submitted a statement within the 60-day period, the EPA may, thereafter, commence response activities or enforcement actions as may be appropriate.

Please mail, fax or email your statement to Ms. Pam Travis at the following address:

Pam Travis
Office of Regional Counsel (6RC-S)
U.S. Environmental Protection Agency
Region 6
1201 Elm Street, Suite 500
Dallas, Texas 75270
(214) 665-8056
FAX (214) 665-6460
E-mail: travis.pamela@epa.gov

ENCLOSURE 2

DRAFT STATEMENT OF WORK

ENCLOSURE 3

PARTIES RECEIVING THIS LETTER

Cobb Resources

George Lotspeich
Cobb Resources
4011 Mesa Verde NE,
Albuquerque, New Mexico 87110

Reed Easterwood
Dominici Law Firm, for
Cobb Resources
320 Gold Avenue SW, Ste 1000
Albuquerque, New Mexico 87102

ConocoPhillips

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Homestake Mining Company

Michael McCarthy
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Salt Lake City, Utah 84101

United Nuclear Company/GE

Monique Mooney, Esq.
GE Global Operations
412 Creamery Way, Suite 100
Exton, Pennsylvania 19341

ENCLOSURE 4

EPA REGION 6 OFFICE INFORMATION

Visiting EPA's Region 6 Office in Dallas

<https://www.epa.gov/aboutepa/visiting-epas-region-6-office-dallas>
